



# The Life of an OHV Trust Fund "Dollar"



Budget Year 2004/2005

OHV Program Course Name:

"The Color of Money"



# Money

## “Terminology”

These are the 4 main “words” government uses to discuss money:

### 1. Revenue =

Where All The Money Comes From

### 2. Appropriation =

Who/What gets the Money

### 3. Allocation =

Where the Money Will be Spent

### 4. Accounting =

How the Money Was Spent

# OHV Program "Revenue"

Where All The Money Comes From:

Registered OHV Fuel Taxes	\$ 4.3 M
Street-Licensed Fuel Taxes	\$ 13.3 M
OHV Registration Fees	\$ 3.0 M
Interest Earned by Fund	\$ 1.5 M
SVRA Entrance Fees	\$ 1.5 M
Miscellaneous Incomes	\$ .2 M
Unregistered OHV Fuel Taxes (All of which goes to the "RESTRICTED" C.E.S.A.* ) (30% of which must be used for Restoration work)	\$ 25.4 M
<b>Total FY 04/05 Revenue:</b>	<b>\$49.2 M</b>

\* C.E.S.A. = The Conservation & Enforcement Services Account  
Within the OHV Trust Fund

# "Revenue" From Fuel Taxes

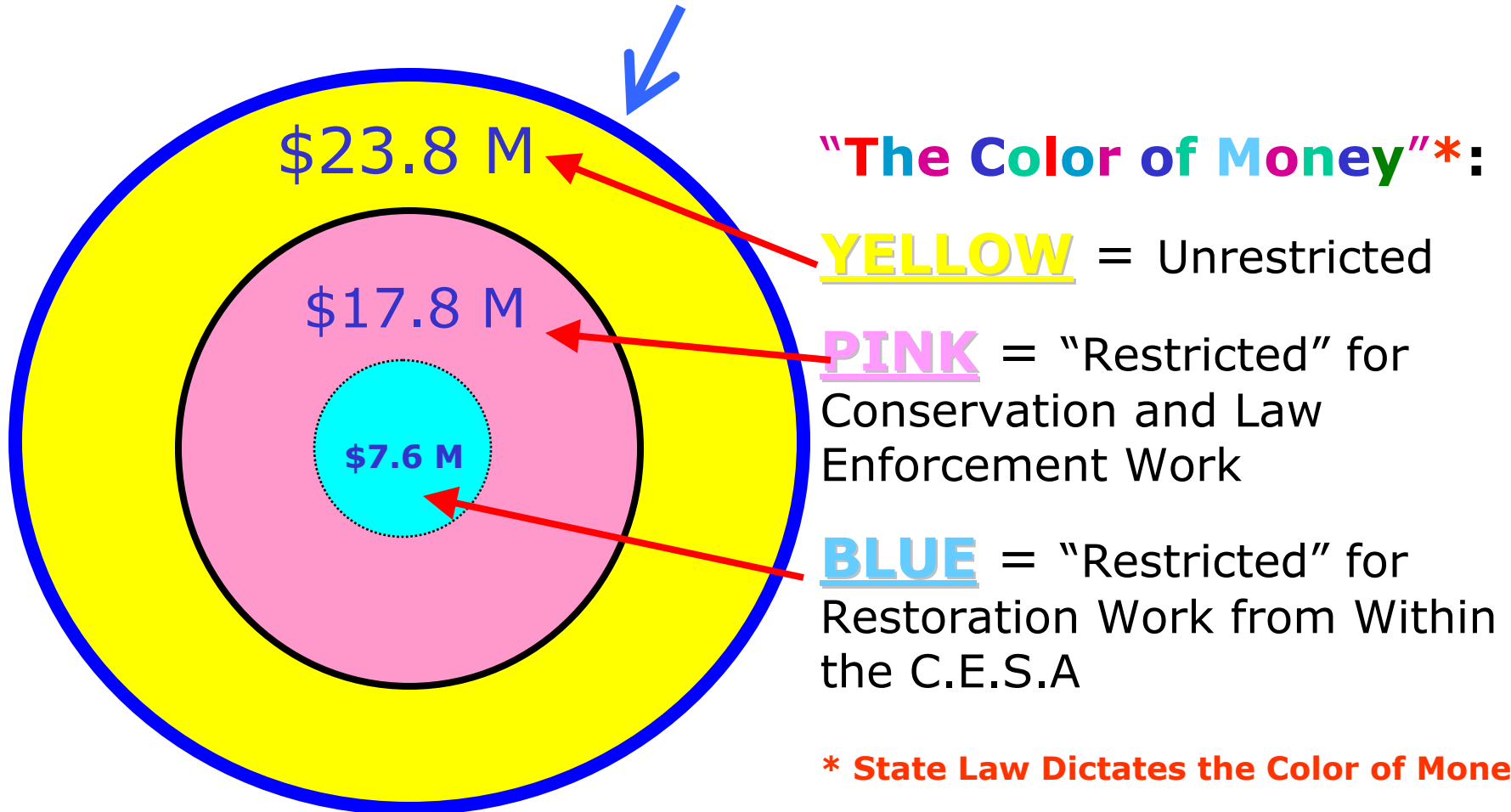
Fiscal Year 2002-2003

STREET LICENSED:	Fuel Tax Income	% of Income by Vehicle & Category
Motorcycles	\$ 547,266	4.2%
Passenger Vehicles	\$ 1,213,132	9.3%
4WD Vehicles	\$ 2,438,907	18.7%
2WD Pickups	\$ 8,156,994	62.6%
Misc.	\$ 673,940	5.2%
<b>SUB-TOTAL</b>	<b>\$ 13,030,239</b>	<b>31.4%</b>
REGISTERED OHVS:	Fuel Tax Income	% of Income by Vehicle & Category
Motorcycles	\$ 3,650,184	87.3%
4 Wheel Vehicles	\$ 171,735	4.1%
ATVs	\$ 246,425	5.9%
Snowmobiles	\$ 110,060	2.6%
Misc.	\$ 2,727	0.1%
<b>SUB-TOTAL</b>	<b>\$ 4,181,131</b>	<b>10.1%</b>
NON-REGISTERED OHVS:	Fuel Tax Income	% of Income by Vehicle & Category
Motorcycles	\$ 21,536,073	88.7%
4 Wheel Vehicles	\$ 1,305,189	5.4%
ATVs	\$ 616,061	2.5%
Snowmobiles	\$ 770,473	3.2%
Misc.	\$ 51,848	0.2%
<b>SUB-TOTAL</b>	<b>\$ 24,279,644</b>	<b>58.8%</b>
<b>TOTAL ALL</b>	<b>\$ 41,491,014</b>	<b>100%</b>

# OHV Program “Revenue” Allocations

Governor’s Budget Estimate For FY 2004/2005 OHV Trust Fund Revenue:

**\$49.2 million**



# *The General* **"Appropriation"** *Process*

**Fiscal Year 2004/2005**

**This is how long it takes to "Plan" for the spending of money:**

- ✓ **August 2003** – Division Submits Budget Estimate to the Dept.
- ✓ **September 2003** – Department Submits Budget to "Agency"
- ✓ **November 2003** – Dept. of Finance Makes Budget Decisions
- ✓ **January 2004** – **Governor's Budget Released**
- ✓ **February-June 2004** – Legislative Hearings & Budget Bill Passed
- ✓ **July 2004** – **Budget Bill Signed by Governor**

## **NOTE:**

**The Governor's Budget is Simply a Spending "Plan"**  
**The Approved Budget Bill is the Actual "Appropriation"**

# The OHV Program's "Desired" Appropriation\*

(Who/What Gets The Money)

<b>SUPPORT:</b> <ul style="list-style-type: none"><li>-Salaries and Wages</li><li>-Operating Expenses</li><li>-Equipment Purchases</li></ul>	<b>\$ 37.8 M</b>
<b>GRANTS:</b> <p>Must be less than 50% of the OHV Trust Fund incomes from Fuel Taxes, Registration Fees, and Interest</p>	<b>\$ 17.0 M</b>
<b>CAPITAL OUTLAY:</b> <p>Project Specific per Budget Bill</p>	<b>\$13.0 M</b>
<b>FY 2004/2005 TOTAL:</b>	<b>\$ 67.8 M</b>

\* If approved, this becomes an "Appropriation" specific to where money will be spent and DOES NOT deal with the "Color" of money

# **“Allocations”**

**(Where The Money Will Be Spent)**

## **Support**

- A. Base Line Budget
- B. Three Categories
- C. Changes made through Budget Change Proposals (BCPs)
- D. BCPs approved by the Legislature via hearing process
- E. One year money (June 30 encumbered)
- F. Covers everything except grant payments and capital outlay projects
- G. Allocated by category to units
- H. Cannot be re-appropriated
- I. Unspent funds revert back to the OHV Trust Fund
- J. Overhead and “Pro Rata” costs
- K. Historically, one-third of the support budget has been allocated to the SVRAs



# **“Allocations”**

(Continued)

## **Capital Outlay (Major & Minor)**

- A. Requires OHMVR Commission approval before going to Legislature
- B. Scope of specific project approved by Legislature
- C. Major construction projects require Public Works Board approval within 1 year
- D. Acquisition funds good for 3 years
- E. Color of money is contained in the COBCP
- F. Funds may be re-appropriated in subsequent Budget Bill

## **Grants Allocation**

- A. Appropriated by the Legislature
- B. Allocated by the OHMVR Commission once appropriated
- C. Annual meeting prior to Grants Cycle
- D. Required “color of money” for grants
- E. Grant contract must be executed within 3 years
- F. Regulated by California Code of Regulations, Chapter 15

# "Accounting"

**The OHMVR Division has the responsibility for tracking the color of money.**  
**Final accountability of allocations can be 5 years from initial allocation.**

## Support

- A. DPR's Budget Office allocates funds to the Division by Category
- B. The Division allocates funds to reporting unit by specific accounts
- C. Establishes amount of Unrestricted, CESA and Restoration each unit is responsible for
- D. Salary and wages color of money accounted for by time reporting system (DPR 511)
- E. Operating expense color of money is tracked by coding on encumbering/purchasing document
- F. Equipment color of money is tracked by purchasing document
- G. The Department's Program Management System (PMS) is utilized
- H. The Department's Audits Office conducts periodic field and headquarters audits
- I. Division receives computerized printouts by category and color of money (lag time is a problem)

# **"Accounting"**

(Continued)

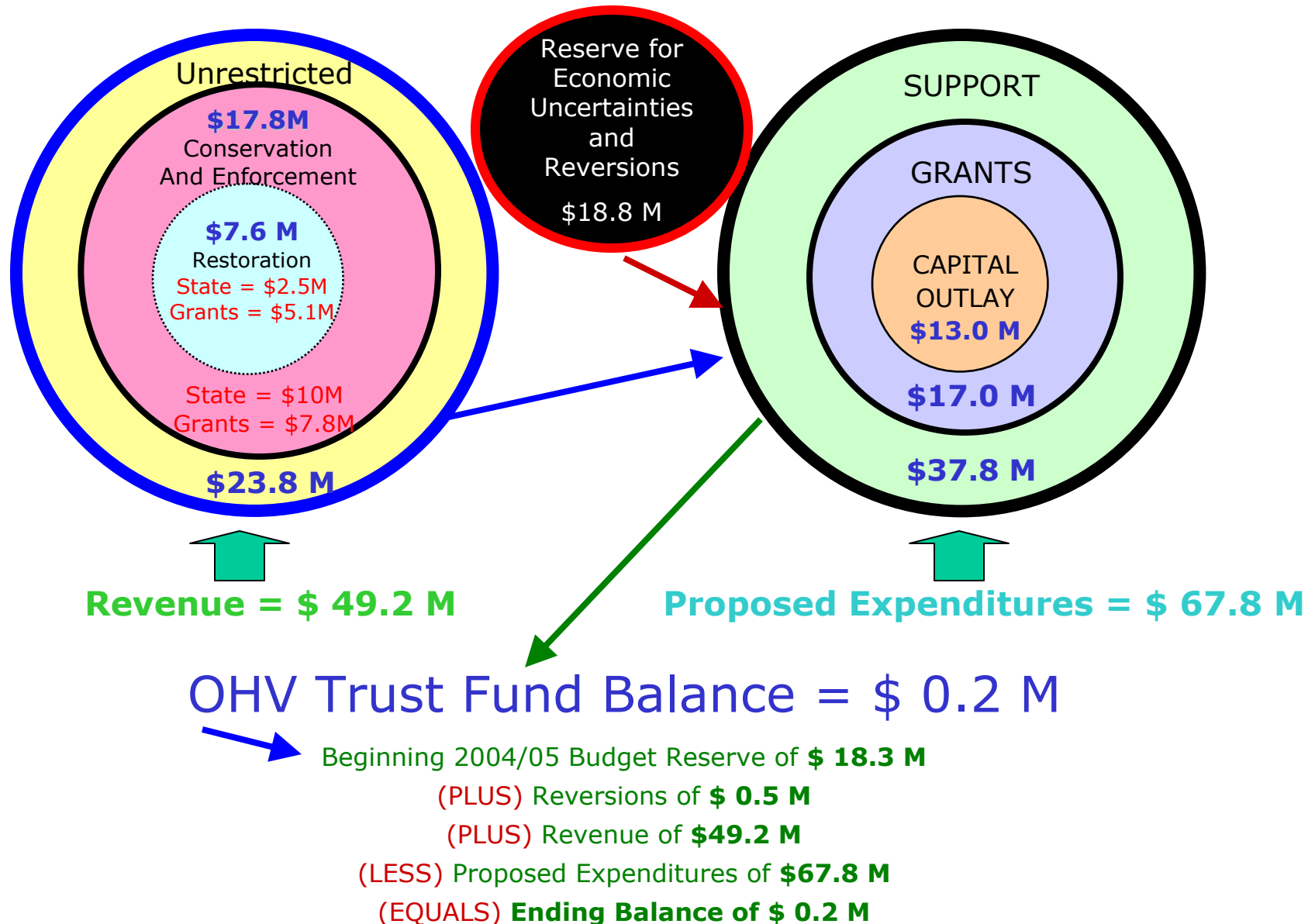
## **Capital Outlay Projects**

- A. Mostly through contract
- B. Tracked through coding of encumbering document
- C. Scope of project is specific to the COBCP

## **Grant Projects**

- A. Project Agreement (contract) establishes the color of money
- B. Article 8 of the California Code of Regulations covers the tracking system for Accounting, Audits and Annual Project Reviews
- C. The Department's Audits Office conducts both fiscal audits and periodic field reviews

# Revenue –vs– Expenditures



# **The Division's FY 2004/2005 Budget Change Proposal (BCP)**

- #1. Oceano Dunes Lawsuit Settlement**
- #2. Oceano Dunes Coastal Commission Permit**
- #3. Hollister Hills Lawsuit Settlement**
- #4. AB 2274 Compliance**
- #5. National Pollution Discharge Elimination System**
- #6. Adaptive Management**
- #7. Riverside Acquisition Operations**

**Total BCP = \$ 8,202,000**

**One-Time-Only Costs = \$ 2,984,000**

# **The OHMVR Program Budget FY 2004/2005**

**OHMVR DIVISION SUPPORT ..... \$ 37,818,000**

**A. Division Operations ..... \$ 26,103,260**

**B. General Government Costs ... \$ 11,714,740**

**CAPITAL OUTLAY PROJECTS ..... \$ 12,990,000**

**GRANTS PROGRAM..... \$ 17,000,000**

**Total Program Budget  
\$ 67,808,000**